Department of Natural Resources
Public Service Commission of Wisconsin

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DNR and PSC Respond to Governor's Conserve Wisconsin Initiative

Agencies Seek Public Comment on Clean Coal Technology Draft Report

MADISON – The Department of Natural Resources (DNR) and the Public Service Commission of Wisconsin (PSC) today released a draft report reviewing the benefits, costs and future prospects of integrated gasification combined-cycle (IGCC) technology for Wisconsin. The report responds to Governor Doyle's Conserve Wisconsin agenda to protect state waterways, conserve lands, revitalize urban neighborhoods, and promote energy conservation and innovation.

The draft report finds that the treatment of carbon dioxide, the primary greenhouse gas, is the major factor determining the cost-competitiveness of IGCC. Without controls to capture carbon dioxide, IGCC appears $5-$7 per megawatt hour more expensive than conventional coal technology. With controls to capture carbon dioxide, IGCC appears approximately $10 per megawatt hour less expensive, given current understanding of control equipment. Regulating carbon dioxide is primarily a federal issue that has yet to be addressed, although Congressional leaders are reviewing the issue.

"Wisconsin is in the midst of a building cycle, and the decisions we make in the next ten years for future power plants will likely impact our economy and environment for the next half century," said Commissioner Mark Meyer. "This report is an important step to make sure we are informed about technology options."

In addition to cost, the draft report also explores engineering, environmental, financial, economic development and policy issues related to IGCC. The draft results show that IGCC has lower sulfur dioxide and mercury emissions than conventional coal plants and greater potential to capture carbon dioxide given the current technology. The draft report also finds that as IGCC matures and questions of construction cost, reliability and efficiency are addressed, IGCC may reach cost parity with SCPC, regardless of the treatment of carbon dioxide.

"Controlling carbon dioxide is the wild card in this analysis," said DNR Air and Waste Administrator Al Shea. "Both in terms of our understanding of technology options and federal regulations - these factors have the potential to change the draft results dramatically."

(MORE)

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IGCC uses high pressure and temperature to transform coal into a gas prior to combustion. The resultant gas can be cleaned of pollutants prior to firing in a turbine. Conventional coal technology burns coal in a boiler, and pollutants must be stripped out after combustion in the exhaust, which is both a more difficult and expensive process. IGCC also has lower emissions of sulfur dioxide, which contributes to haze, acid rain and the formation of fine particulate pollution.

The draft report is available at: http://psc.wi.gov/CleanCoal/comments.htm. The agencies will be taking comments until 4 pm, Friday, June 30th and then will issue a final report. The public is encouraged to submit comments via the website.

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